

**UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA**

American Family Mutual Insurance Company,
S.I.,

Case No. 0: 21-cv-01749 (KMM/TNL)

Plaintiff,

ORDER

v.

Amazon, Inc., et al.,

Defendants.

This matter came before the Court on Plaintiff American Family Mutual Insurance Co.’s Motion for Default Judgment against Defendant Pecron, LLC. [ECF No. 37]. Subsequently, on July 28, 2022, Pecron filed a Letter to the Court and an Answer to Plaintiff’s First Amended Complaint. [ECF Nos. 55 & 56].

Pecron appeared at the August 1, 2022, hearing and opposed the Motion for Default Judgment. Following oral argument, the Court denied the Motion from the bench. [ECF No. 57]. The Court fully stated its reasoning on the record and now issues this Order to capture that ruling.

Under Federal Rule of Civil Procedure 55, a court may deny a Motion for Default Judgment and “set aside an entry of default for good cause.” Fed. R. Civ. P. 55(c). In determining whether it has good cause to set aside an entry of default, “the district court should weigh ‘whether the conduct of the defaulting party was blameworthy or culpable, whether the defaulting party has a meritorious defense, and whether the other party would

be prejudiced if the default were excused.” *Stephenson v. El-Batrawi*, 524 F.3d 907, 912 (8th Cir. 2008) (quoting *Johnson v. Dayton Elec. Mfg. Co.*, 140 F.3d 781, 784 (8th Cir. 1998)).

The Court assessed these and other considerations and determined that default judgment would be inappropriate at this time. First, the Court noted that the plaintiff was not prejudiced by the modest delay created by the defendant. Second, the reason for the delay is understandable: Pecron had difficulty promptly defending this action due to their client’s significant language and location barriers that made finding counsel cumbersome. And the Court noted its strong preference to reach the merits of cases where possible.

For these reasons and the others stated on the record, Plaintiff’s Motion for Default Judgment [ECF No. 37] is **DENIED**. Additionally, the entry of default previously docketed against Pecron [ECF No. 36], is hereby **VACATED**.

IT IS SO ORDERED.

Date: August 23, 2022

s/ Katherine Menendez
Katherine Menendez
United States District Judge